GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1295
ANSWERED ON:02.05.2016
Payment due from Indian Refiners
Rao (Avnthi) Shri Muthamsetti Srinivasa

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has held any negotiations with Iran for reviving Asian Clearing Union mechanism to increase oil exports to the country and address the issue of payments due from Indian refiners;
(b) if so, the details thereof; and
(c) whether the refiners in the country have cleared outstanding oil dues to Iran and if so, the details thereof?

Answer

MINISTER OF STATE(INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM AND NATURAL GAS(SHRI DHARMENDRA PRADHAN)
(a) and (b): After lifting of sanctions by the international community following the Joint Comprehensive Plan of Action (JCPOA) agreed between P5+1 (China, France, Germany, Russia, the United Kingdom, and the United States), the European Union, and Iran, the Central Bank of Iran has requested RBI for bringing the country under ACU mechanism. After this system is established, all future trade transactions with Iran would be settled through the ACU. RBI, in turn has sought concurrence from the Department of Economic Affairs for bringing Iran under the ACU mechanism. Actual settlement through ACU mechanism hinges on availability of international euro channels for making the payment.
(c) The refiners in the country are yet to fully clear outstanding oil dues to Iran.